

Message Text

LIMITED OFFICIAL USE

PAGE 01 PARIS 24222 021702Z
ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 PA-01 ICA-11 CIAE-00 INR-10
NSAE-00 FTC-01 TRSE-00 /044 W
-----051288 031223Z /53
R 021539Z AUG 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 5622
INFO USDOC WASHDC

LIMITED OFFICIAL USE PARIS 24222

E.O. 11652: N/A
TAGS: EIND, EINV, FR
SUBJECT: REGIE RENAULT AGREEMENT WITH MACK TRUCK

REF: PARIS 12535

1. A LETTER OF INTENT WAS SIGNED ON JULY 27TH BETWEEN THE US TRUCK MANUFACTURER, MACK TRUCK, AND RENAULT-VEHICLES INDUSTRIELS (RVI). RVI IS A SUBSIDIARY OF THE NATIONALIZED COMPANY REGIE RENAULT, THE LEADING FRENCH AUTOMOBILE AND TRUCK MANUFACTURER WITH SALES OF 11 BILLION DOLLARS IN 1977. RVI ALSO CONTROLS SAVIEM, THE INDUSTRIAL VEHICLE BRANCH OF REGIE RENAULT, AND BERLIET, AN INDEPENDENT TRUCK AND BUS MANUFACTURER UNTIL ITS RECENT ACQUISITION BY RVI.

2. DANIEL CHEVALIER, SPOKESMAN FOR RVI, INFORMED EMBOFF THAT THE PROJECT HAS THREE OBJECTIVES:

-- MACK TRUCK IS TO MARKET IN THE UNITED STATES, FRENCH MADE RVI DIESEL-POWERED TRUCKS IN US CATEGORIES 6 AND 7 BETWEEN 10 AND 15 TONS, WHICH SUPPLEMENT THE MACK HEAVY TRUCK RANGE. RVI BELIEVES IT HAS TECHNICAL ADVANTAGES WHICH IT CAN USE TO GAIN A
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PARIS 24222 021702Z

SHARE OF GROWING US DEMAND. RVI'S TRUCKS ARE NOT SOLD IN THE UNITED STATES AT THIS TIME.

-- MACK TRUCK AND RVI WILL STUDY THE FEASIBILITY FOR DISTRIBUTION IN EUROPE, PARTICULARLY IN FRANCE BY RVI OF TRUCKS PRODUCED BY MACK IN THE UNITED STATES. MACK CURRENTLY HAS ONLY 2 PERCENT OF THE FRENCH

MARKET FOR TRUCKS OF 20 TONS AND MORE. HOWEVER,
COMPETITION BETWEEN SOME OF MACK'S MODELS
WITH BERLIET'S RANGE MUST FIRST BE IRONED OUT.

-- THE TWO FIRMS WILL EXCHANGE INFORMATION
IN CONTEMPLATION OF JOINT VENTURES TO PRODUCE NEW
MODELS AND SUB ASSEMBLIES.

3. COMMENT: COMING LESS THAN FOUR MONTHS AFTER REGIE
RENAULT'S PROTOCOL OF AGREEMENT WITH AMERICAN MOTORS,
(SEE REFTTEL), THE LETTER OF INTENT BETWEEN RVI AND
MACK TRUCK REINFORCES RENAULT'S EFFORTS TO PENETRATE
THE US MARKET.

IN VIEW OF ITS PAST DIFFICULTIES AND IN WORKING WITH
INDEPENDENT US DEALERS, RENAULT IS NOW SEEKING ARRANGE-
MENTS WITH TWO WELL-ESTABLISHED COMPANIES WITH DISTRI-
BUTION NETWORKS. THIS SECOND PHASE OF ITS PLANS, THE
AGREEMENT WITH MACK TRUCK, IS LIKELY TO BE IMPLEMENTED
BEFORE THE ARRANGEMENT WITH AMERICAN MOTORS WHICH IS
COMPLICATED BY THE LATTER'S FINANCIAL DIFFICULTIES.
RENAULT'S EFFORTS TO GAIN A SHARE OF THE US MARKET ARE
INDICATIVE OF GROWING FRENCH INDUSTRY INTEREST, ENCOUR-
AGED BY THE GOF, IN CAPTURING A LARGER SHARE OF THE US
MARKET. IT MAY BE NOTED THAT FRENCH EXPORTS TO THE
UNITED STATES FOR THE FIRST 5 MONTHS OF 1978 ARE 53
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PARIS 24222 021702Z

PERCENT AHEAD OF THE SIMILAR PERIOD FOR 1977. FRANCE,
HOWEVER, STILL RUNS A LARGE DEFICIT IN BILATERAL TRADE,
ALTHOUGH THE GAP IS NARROWING. END COMMENT
HARTMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENT, AGREEMENTS, TRUCKS
Control Number: n/a
Copy: SINGLE
Draft Date: 02 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PARIS24222
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780318-0176
Format: TEL
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197808107/aaaadlsz.tel
Line Count: 98
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 91038b58-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 PARIS 12535
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1560896
Secure: OPEN
Status: NATIVE
Subject: REGIE RENAULT AGREEMENT WITH MACK TRUCK
TAGS: EIND, EINV, FR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/91038b58-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014